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**PRELIMINARY DRAFT  
No. 3310**

**PREPARED BY  
LEGISLATIVE SERVICES AGENCY  
2005 GENERAL ASSEMBLY**

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**DIGEST**

**Citations Affected:** IC 25-26-13-8.5.

**Synopsis:** Generic drug pricing by pharmacies. Requires a pharmacy to annually file proposed retail prices of generic legend drugs with the board of pharmacy. Requires the board to review and make a determination of approval or denial of proposed retail prices.

**Effective:** July 1, 2005.



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A BILL FOR AN ACT to amend the Indiana Code concerning professions and occupations.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 25-26-13-8.5 IS ADDED TO THE INDIANA  
2 CODE AS A NEW SECTION TO READ AS FOLLOWS  
3 [EFFECTIVE JULY 1, 2005]: **Sec. 8.5. (a) A pharmacy shall**  
4 **annually file with the board the proposed retail price to be charged**  
5 **by the pharmacy for each generic legend drug sold by the**  
6 **pharmacy.**

7       **(b) A pharmacy shall include with the filing required under**  
8 **subsection (a) information determined necessary by the board to**  
9 **allow a determination by the board of whether the proposed retail**  
10 **price for each generic legend drug is reasonable.**

11       **(c) In determining whether the proposed retail price for a**  
12 **generic legend drug is reasonable, the board shall permit a**  
13 **pharmacy to recover all of the following:**

14           **(1) The wholesale price paid by the pharmacy for the generic**  
15 **legend drug.**

16           **(2) The pharmacy's overhead costs properly allocable to the**  
17 **generic legend drug.**

18           **(3) A reasonable profit.**

19       **(d) The board shall, not more than thirty (30) days after**  
20 **receiving the information required under subsection (a):**

21           **(1) review the information;**

22           **(2) make a determination of approval or denial of the**  
23 **proposed retail price; and**

24           **(3) inform the pharmacy in writing of the determination.**

25       **(e) A pharmacy may not charge a proposed retail price for a**  
26 **generic legend drug until the pharmacy receives approval of the**  
27 **proposed retail price from the board. A pharmacy that violates this**  
28 **subsection is subject to sanctions under section 4(a)(3) of this**  
29 **chapter.**

30       **(f) Not more than thirty (30) days after receiving a**  
31 **determination of denial from the board under subsection (d), a**



1      **pharmacy may request a hearing under IC 4-21.5.**

